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POSTAL RATE COMMISSION SEP 2 4 59 PM '97 WASHINGTON, D.C. 20268-000 LOSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

THE DIRECT MARKETING ASSOCIATION, INC.'S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS DIRECTED TO USPS WITNESS DANIEL (DMA/USPS-T29-1)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached first set of interrogatories and requests for production of documents to USPS witness Daniel (DMA/USPS-T29-1). If the designated witness is unable to respond to this interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

Dana T. Ackerly II, Esq.

David L. Meyer Michael D. Bergman

COVINGTON & BURLING

1201 Pennsylvania Avenue, N.W.

Washington, D.C. 20004 (202) 662-5296

Counsel for the Direct Mar

Counsel for the Direct Marketing Association, Inc.

September 2, 1997

Witness Daniel (USPS-T-29)

DMA/USPS-T29-1. Please refer to page 19, lines 27 through 29, and page 20, lines 1 through 26, of your direct testimony.

- a. Please confirm that the prebarcoding cost avoidance of four cents for parcels is the cost difference between keying a nonbarcoded parcel (including the ribbon and label costs) on a PSM retrofitted with a Package Barcode System (PBCS) and scanning a prebarcoded parcel on a PSM retrofitted with a PBCS.
- b. What are the machinability requirements for a PSM retrofitted with a PBCS?
- c. At what types of facilities (e.g., BMCs, SCFs) are parcels sorted on PSMs retrofitted with PBCss?
- d. At what types of facilities are Standard (A) parcels sorted?
- e. Are machinable Standard (A) parcels sorted on PSMs retrofitted with PBCSs?
- f. If your answer to sub-part e. is "no," please describe (i) how Standard (A) parcels are sorted and (ii) why they are not sorted on PSMs retrofitted with PBCSs.
- g. Please explain fully whether extending the prebarcoding discount to Standard (A) parcels would result in a rate structure that more accurately reflects costs of service as contemplated in 39 U.S.C. § 3622(b).

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 (section 3001.12) of the Postal Rate Commission's Rules of Practice and Procedure and Rule 3 of the Commission's Special Rules of Practice in this proceeding.

Michael D. Bergman

September 2, 1997